

# M e m o r a n d u m

To: Panel Members Date: August 27, 2004

From: Diana Torres, Manager Analyst: R. Negrete

Subject: ONE-STEP AGREEMENT FOR **RIVERSIDE COUNTY ECONOMIC DEVELOPMENT AGENCY**

## **CONTRACTOR:**

- Multiple Employer: Workforce Investment Board
- Training Project Profile: Retraining: Companies W/Out-Of-State Competition
- Legislative Priorities: Promotion of California's Manufacturing Workforce Moving To High Performance Workplace, Stimulating Exports/Imports
- Type of Industry: Various Industries
- Repeat Contractor: No
- ETP Trainees Represented by Union: No
- Name and Local Number of Union Representing ETP Trainees: N/A

## **CONTRACT:**

- Program Costs: \$187,265
- Substantial Contribution: \$0
- Multiple Employer Support (8%) \$12,730
- Total ETP Funding: \$199,995
- Total In-kind Contribution: \$120,198
  - *Trainee Wages Paid During Training:* \$120,198
  - *Other Contributions:* \$0
  - *Maximum Contractor Charge to Participating Employers:* \$0 Per Trainee
- Reimbursement Method: Fixed-Fee
- County(ies) Served: Riverside, San Bernardino

## **INTRODUCTION:**

The Riverside County Economic Development Agency (EDA) oversees Workforce Investment Act (WIA) employment training and career services in Riverside County. EDA operates five Workforce Development Centers and eight Youth Opportunity Centers providing job training, employer services, community development block grant, emergency shelter grant program and housing programs that promote economic and workforce development in Riverside County.

EDA will market the proposed training primarily to manufacturers and information technology companies in the Inland Empire (Riverside and San Bernardino counties) and is eligible to provide training under California Unemployment Insurance Code Section 10205(c)(3) as a local Workforce Investment Board.

Participating employers have been determined eligible for ETP funding under Title 22, California Code of Regulations (CCR), Section 4416(a)(1)(2)(3)(4), as manufacturers and other companies facing out-of-state competition that produce a product sold in the state; that compete with products produced out-of-state; provide a service out-of-state; or provide a service in the state in competition with providers of the same service located out-of-state.

## **MEETING ETP GOALS AND OBJECTIVES:**

Riverside EDA proposes training that will further the following ETP goals and objectives:

- 1) Training is targeted to participating employers threatened by out-of-state competition, thereby meeting ETP's legislative mandate to foster job retention in industries threatened by out-of-state competition.
- 2) Training is targeted to participating employers that are adapting to a high performance workplace.
- 3) The majority of training is targeted to participating employers that are manufacturers. Therefore, the project meets ETP's legislative mandate to expand the State's manufacturing workforce.

**TRAINING PLAN TABLE:**

<b>Job/Trainee Type</b>	<b>Types Of Training</b>	<b>No. Retain</b>	<b>No. Class/Lab Hrs.</b>	<b>No. CBT Hrs.</b>	<b>Average Cost Per Trainee</b>	<b>Hourly Wage After 90 Days</b>
Job 1  Retrainees	Menu:  Continuous Improvement Skills  Business Skills  Computer Skills  Manufacturing Skills  Management Skills  Literacy Skills	335	24 – 48	-0-	\$597	*\$11.16 - \$38.50
					<b><u>Prevalent Hourly Wage</u></b> \$14.95	
					<b><u>Average Cost Per Trainee</u></b> \$597	
<b><u>Health Benefits Used To Meet ETP Minimum Wage:</u></b>  *Health benefits of at least \$1.50 per hour may be applied to the base wage for some of the Job 1 trainees to meet the ETP minimum hourly wage of \$11.16 per hour for Riverside and San Bernardino counties.					<b><u>Turnover Rate</u></b> 20% or less	<b><u>% Of Mgrs &amp; Supervisors To Be Trained:</u></b>  Not to exceed 20%
<b><u>Other Employee Benefits:</u></b> Varies by participating employers.						

**COMMENTS / ISSUES:**

➤ ***Frontline Workers***

Two hundred and seventy (80 percent) of the proposed trainees in this project meet the Panel definition of frontline workers under Title 22 CCR, Section 4400(ee). A maximum of 65 of the proposed trainees (no more than twenty percent of the number to be retained) will be managers and supervisors.

➤ ***Compensatory Nature of Training***

Training is mandatory for all trainees. Participating employers have agreed that their employees will be released for the above training during normal work hours.

➤ ***Production During Training***

The proposed Contractor agrees that during ETP-funded training hours, trainees will not produce products or provide services which will ultimately be sold.

According to Riverside County Economic Development Agency staff, sixty percent of the proposed training will be provided at participating employer sites and forty percent will be provided at the University of Riverside training facility. Participating employers will have a choice of using both sites, if the facilities are needed for laboratory training and are not available otherwise. ETP training will be mandatory under this contract. Specific times and dates of training will be finalized in consultation with participating employers after project approval.

**PROPOSED ACTION:**

Staff recommends that the Panel approve this Agreement, if funding is available, and the project meets the Panel priorities.

**NARRATIVE:**

Riverside County EDA has provided training to Riverside County companies since 1994. According to EDA staff, the concentration of Inland Empire manufacturing industries creates a demonstrated demand for manufacturing training. The Inland Empire Economic Partnership reports that "One of the primary drivers of the growth of the Inland Empire Economy over the last decade has been a large number of companies moving to the region, bringing well-paying jobs. Since 2002, the Inland Empire economy has added jobs at 5.1 percent, a faster rate than both Southern California and the state. Since 1997, more than 750 of the region's new business operations have migrated from Los Angeles, Orange and San Diego Counties, adding over 36,800 jobs.

**NARRATIVE:** (continued)

To address the local labor market need, EDA marketing staff conducted a training needs analysis, including telephone surveys of manufacturing and information technology companies. Interested employers requested additional information and EDA marketing staff contacted each potential employer to discuss specific training needs to begin the recruitment of participating employers.

The majority of manufacturing and information technology companies to be included in the training plan have upgraded from Windows 95/98 to Windows XP for their operating systems. EDA staff in conjunction with University of California, Riverside (UCR) staff developed a process that includes the active involvement of each participating employer in customizing training curricula to fit individual participating employer training needs. The proposed training will enable participating employers to retrain their employees to work in new technologies, such as Windows XP, that will enable them to improve employee job performance and increase the Company's operating efficiencies and product quality at participating employer work sites. Participating employers have also expressed a need for Business Skills, Continuous Improvement, Literacy Skills, and Management Skills training that will provide retrainees skills to become more efficient and productive in their work environment.

During the training needs assessment conducted at each participating employer, EDA and UCR technical trainers identify specific training customized to each participating employer that reflects practical and theoretical employer requirements. Retrainees will be provided customized training to transfer their new skills immediately to fulfill the participating employer's job skill training requirements. EDA/UCR technical staff conduct a minimum of two meetings with participating employers to assess employer training needs and to develop specific training topics related to specific Company functions and job tasks to be completed. EDA/UCR technical staff and Company representatives identify Company priorities and strategic objectives to design training for individual employees.

EDA and UCR training staff have developed a Menu Curriculum developed for participating employers and with input from EDA's Information Technology Advisory Board. The Menu Curriculum consists of 24 – 48 hours of class/lab training in the following topics:

**Business Skills** training including Project Management, Goal Setting, Communication Skills, Negotiation Techniques, TQM, Time Management, Cost Reduction, Profitability, and Customer Service Skills will provide retrainees the skills to improve become more efficient in their jobs, thus improving productivity in their current position.

**Computer Skills** will include Windows XP Applications, intermediate and advanced Microsoft Word, Excel, Access as well as Internet Applications to improve operating efficiencies and Company productivity.

**Continuous Improvement** will include Process Improvements, Cause And Effect Relationships, Problem Solving, Lean Manufacturing, Kaizen Methods, 5-S Organization, Six Sigma, Cycle Times, and Team Building will enable retrainees to incorporate team-oriented process to enhance product quality and improve operating efficiencies at participating employer sites.

**NARRATIVE:** (continued)

**Literacy Skills** Vocational English as a Second Language will include Speaking and Comprehending English, English Pronunciation, Work Related Expressions will give the retrainees the English Speaking abilities to become more productive and more efficient in their work environment.

**Management Skills** will include Leadership Skills, Decision Making, Work Group Dynamics, Teambuilding, Managing Time, Coaching Skills, and Cost Reduction and Control and Work Methods Improvement will enable retrainees to lead and coach subordinate employees and to make it easier for participating employer to hire from within rather than hiring from the outside when they have supervisory or management vacancies.

**Manufacturing Skills** training including Blue Print Reading, Data Collection, Calibration and Gages, Variance Calculation, and Material Handling concepts are essential for the growth of the Company, therefore, making the Company more efficient and profitable.

***Supplemental Nature of Training***

State law requires that ETP funds be used to supplement, rather than displace, funds available through existing programs conducted by employers and government-funded programs.

ETP-funded training will supplement Company-sponsored training to provide training which is currently not possible due to limited Company training resources. Company-funded training at participating employers has included safety training, new-hire orientation training, and informal on-the-job training. For participating employers with fewer than 100 employees, EDA/UCR training is the first structured, comprehensive training that participating employers have provided. Participating employers will pay the wages and fringe benefits for each trainees while in training. The projected participating employer in-kind contribution is \$120,198 for trainee wages and benefits during training.

**SUBCONTRACTORS:**

University of California, Riverside, in Riverside California, in an amount to be determined, to provide all class/lab training

**THIRD PARTY SERVICES:**

Applicant staff stated that they did not use any consultant services in the development of the Application.

RIVERSIDE COUNTY ECONOMIC DEVELOPMENT AGENCY  
MENU CURRICULUM

Hours  
Class/lab

24 – 48

Trainees will be provided any of the following:

A. BUSINESS SKILLS

Project Management

Goal setting in establishing a project management plan  
Creating and executing a management plan  
Project structure including types of projects, billing structure and project team structure  
Scheduling, budgeting and cost control  
Dealing with crisis/pitfalls  
Communicating needs clearly and compellingly  
Quality control, benchmarking  
Total Quality Management (TQM) tools  
(Planning, Evaluation, Review) PERT Charts  
Design of surveys and various measurement tools  
Understanding and using proven negotiation techniques  
Managing time, product and people most effectively  
Implementation of a project management plans  
Project completion and termination

Leadership Skills

Developing Leadership and Growth Strategies  
Understanding work dynamics  
Techniques for increasing productivity and quality  
Reducing costs and increasing profitability  
Developing in-house business plans

Communications Skills

Change and the Multi-cultural Organization  
Decision Making Skills and obtaining Trust  
Demonstration of effective explanations  
Techniques for negotiating and assessing communication difficulty  
Getting feedback and removing communication obstacles

RIVERSIDE COUNTY ECONOMIC DEVELOPMENT AGENCY  
MENU CURRICULUM

A. BUSINESS SKILLS (continued)

Customer Service

Managing Interactions  
Planning for Results  
Communication Skills/Follow-up  
Customer Satisfaction Skills  
Determining Customer Needs and Expectations  
Satisfying Customers  
Customer Management  
Assessment of Communication Difficulty  
Customer Retention

B. COMPUTER SKILLS

Windows - Intermediate/Advanced  
Windows Control Panel  
Running Applications  
File manager/Print Manager  
System Configuration Options  
Application management  
Automating Windows with Macro Recorder  
Word processing using Word for Windows  
Creating, saving and retrieving documents.  
Spell checker  
Printing documents  
Editing text  
Special Characters  
Find and Replace  
Style sheet features  
Tables and Spreadsheets  
Importing data from another spreadsheet  
Headers and footers, table of contents and indices



RIVERSIDE COUNTY ECONOMIC DEVELOPMENT AGENCY  
MENU CURRICULUM

B. COMPUTER SKILLS (continued)

Excel for Windows

Using existing and creating new worksheets  
Relative and absolute references, formatting a worksheet,  
Special graphics features, printing features and functions  
Consolidating and documenting worksheets, adding descriptive  
information to a chart

Access

Database concepts, tables, Access controls  
Setting up a live database, importing from Excel  
Queries and report generation

Internet

World Wide Web, Search engines, finding critical data  
Downloading, editing  
Content control, bookmarking, navigation  
Internet Service Providers

E-mail/ Address books, group mailings  
Receiving e-mails, saving, deleting  
Security Issues

C. CONTINUOUS IMPROVEMENT

Continuous Process Improvement

Definitions, Flow Charts; Process Analysis; Cause and Effect  
Frequency distribution, team meetings, memos and other written  
communications; and work banks for the workplace.  
Problem Solving: team processes and team roles  
Team Building: definition of a team, stages of team development and  
Team leader roles  
Cooperative Decision-Making  
Managing Interactions

RIVERSIDE COUNTY ECONOMIC DEVELOPMENT AGENCY  
MENU CURRICULUM

C. CONTINUOUS IMPROVEMENT (continued)

Lean Manufacturing

Lean Manufacturing/Operations  
5-S Work Area Organization  
Standard Work and Standard Operations  
Takt and cycle times  
Setup time reduction

D. LITERACY SKILLS

Vocational English as a Second Language

Reading, writing, speaking, and comprehending English simultaneously  
Introduction to and comprehension of short written work products,  
Writing correct sentences as they relate to job functions  
Pronunciation skills  
Reading and comprehension skills,  
Speaking and understanding spoken  
Work-related communication skills  
Completing work forms and writing notes  
Spelling, phonics, and capitalization

E. MANAGEMENT SKILLS

Frontline Lead/ Supervision Skills

The Lead's Role  
Motivating Employees  
Coaching Skills  
Planning and Controlling  
Decision-Making and Communications Skills  
Understanding Work Group Dynamics and Leadership  
Handling Change  
Cost Reduction and Control, Work Methods Improvement

RIVERSIDE COUNTY ECONOMIC DEVELOPMENT AGENCY  
MENU CURRICULUM

F. MANUFACTURING SKILLS

Blue Print Reading  
Gages and Calibration  
Data Collection  
Tolerances  
Shop Math  
Variance Calculation  
Elementary Chemical Knowledge  
Material Handling - Lifting Devices/Types of Material  
Materials Handling Storage  
Machinery and Machine Guarding

## Participating Employers in Retrainee/New Hire Multiple Employer Contracts

Contractor's Name: Riverside County Economic Development Agency CCG No.: ET05-0160

Reference No: 04-0002

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PRINT OR TYPE

Company: Armtech Esterline Corporation

Address: 85-901 Avenue 53

City, State, Zip: Coachella, CA 92236

Contact Person/Title: Gene Sneed, Director of Human Resources

Telephone No.: (760) 398-0143

Collective Bargaining Agreement(s): N/A

Estimated #of employees to be retrained under this Agreement: 50

Total # of full-time company employees worldwide: 315

Total # of full-time company employees in California: 315

Company: Newbasis West, LLC

Address: 2626 Kansas Avenue

City, State, Zip: Riverside, CA 92507

Contact Person/Title: Marie T. Anderson, Human Resources Manager

Telephone No.: (909) 787-0600, Extension 357

Collective Bargaining Agreement(s): N/A

Estimated #of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 32

Total # of full-time company employees in California: 32

Company: Risco, Inc.

Address: 390 Risco Circle

City, State, Zip: Beaumont, CA 92223

Contact Person/Title: Cynthia Frainee, Executive Vice President

Telephone No.: (909) 769-2899

Collective Bargaining Agreement(s): N/A

Estimated #of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 50

Total # of full-time company employees in California: 50

## Participating Employers in Retrainee/New Hire Multiple Employer Contracts

Contractor's Name: Riverside County Economic Development Agency CCG No.: ET05-0160

Reference No: 04-0002

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Company: Thor California

Address: 14255 Elsworth Street

City, State, Zip: Moreno Valley, CA

Contact Person/Title: Robert Ohlund, Quality Control Manager

Telephone No.: (909) 656-3185

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained or hired under this Agreement: 50

Total # of full-time company employees worldwide: 3,000

Total # of full-time company employees in California: 900

Company:

Address:

City, State, Zip:

Contact Person/Title:

Telephone No.:

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained or hired under this Agreement

Total # of full-time company employees worldwide:

Total # of full-time company employees in California:

Company:

Address:

City, State, Zip:

Contact Person/Title:

Telephone No.:

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained or hired under this Agreement:

Total # of full-time company employees worldwide:

Total # of full-time company employees in California: